

A Work Project, presented as part of the requirements for the Award of a
Master's Degree in Management from the NOVA School of Business and Economics

“HOW TO ACHIEVE TOP LINE PROFITABLE GROWTH IN THE STILL
WATER CATEGORY FOR THE BRANDS VITALIS AND CARAMULO”:

Branding

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A Project carried out on the Management course, under the supervision of:

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”Products increase customer choice; brands simplify it.”

(Kapferer, 2012)

Brand Identity

“A brand is not the name of a product. It is the vision that drives the creation of products and services under that name” (Kapferer, 2012). Thus, brand identity covers the major beliefs and core values of the brand, being a key factor to fight competition throughout uniqueness and, therefore, its value. Furthermore, brand identity, together with brand positioning, is extremely necessary for efficient brand management. Positioning is substantial because, in marketing, “perception is reality” (Kapferer, 2012). Therefore, a good positioning - source of brand identity - and identity can ensure that brands have a coherent and solid body, always bearing in mind that they are living systems and should have degrees of freedom if they want to fit the modern market.

Since the world is saturated of communications, which are constantly sending messages, brands fight to survive and to build an identity that allows them to reach the consumers and make sure they receive their message. Besides that, every time a brand does something new, others have the urgent need to do the same, ending up increasing substantially the number of identical products with very much alike attributes, and consequently, putting pressure on brands. After all, companies are using the same life-style studies, retrieving similar conclusions and using them also to build their advertising campaigns. Following this line of thought, diversification requires a brand’s identity to exist (Kapferer, 2012).

All brands have an image, which is on the receiver’s side - how people perceive a brand by decoding its message, meaning and signals -, and an identity, which is on the sender’s side and precedes image. In other words, an image is what is left in the public’s mind from the

combination of signs that come from the brand's identity and constitute a message, such as the brand's name, the visual symbols, the products, advertisements, among others (Kapferer, 2012). These signs also come from external redundant factors that speak in the brand's name and gain meaning (please consult exhibit 1).

Brands are also distinguished by their positioning where they emphasise what makes them unique and different for the competitors, which is important since consumers make their choices through comparison. In the bottled water category, all brands offer a safe water to quench thirst, but some also sell emotion, communicate the source, or target different consumers, such as the price sensitive or those who seek convenience. Vitalis, for example, sells emotion and a sportive water, Caramulo goes for an environmentally sustainable brand, and as for Caramulo Care, it targets consumers who want to take care of their skin, nails and hair's health. Nevertheless, positioning does not disclose the entire potential and richness of a brand, and despite controlling the words of speech, it does not decide on either the communication style, form or spirit. That is a good reason why brand identity is essential, since it can send to the creative agencies the brand's values (culture) and personality, in order to deliver to the creatives guidelines to build the rest of the speech - pictures, sounds, colours, design and motion. In a nutshell, and according to Kapferer (2012), brand identity expresses tangible and intangible characteristics and is responsible for the overall brand consistency, compensating for the positioning limitations and to guide the brand's expression, harmony and stamina. As for durability, positioning may experience alterations through time, but identity - as it is tied to the brand heritage -, is more solid and long-lasting. Please consult the group report, section 8.3, for the detailed positioning statements.

Brand Identity Prism

Kapferer (2012) identifies six facets in brand identity, which are all interrelated and can be summarised in the brand identity prism, placing the brand essence in the centre (please consult exhibits 2 and 3 for the current and new brand identity, respectively). The identity prism results from a concept that states that “brands have the gift of speech” (Kapferer, 2012), where each facet should have only a few, strong and unique words. As detailed in the group report in section 8.4, the six facets are:

- **Physical:** this facet is the brand’s fortitude. It describes the physical appearance and comprises the brand’s most salient features, such as the brand’s prototype shape, symbols, logo and colour. Some of those, need to add value through functional benefits.
- **Personality:** All brands have their own individual personality that can be personified, revealing its character and the type of person it would be. In order to reach the consumer and make him identify himself with a brand, personality is described through peculiar human characteristic traits. The simplest way of doing it is to grant the brand a spokesperson or a figurehead.
- **Culture:** all products should derive from the brand’s culture, meaning the set of intangible core values, that are in the brand’s roots and are feeding the brand’s inspiration. This essential and powerful aspect requires a special attention for being the one facet that truly says what the brand is about and what it stands for.
- **Relationship:** this facet is all about the magnitude of the relationship between brands and people. It defines the way the brands act, how and what they deliver to the consumers, which may or not be tangible.
- **Customer Reflection:** is the brand’s perceived type of consumer. In other words, it is the brand’s projection of the desired consumer type. This facet does not reflect the target; instead,

it deals with how the desired customer wants to be seen like when purchasing or using a specific brand.

- **Self-Image:** Unlike costumer reflection, this facet describes the internal mirror of the brand's desired customer type (I feel, I am...). It deals with what the desired customer type should feel when purchasing or using a specific brand.

Both physical and personality facets cooperate to build the brand's purpose by identifying the sender. The reflection and self-image facets have to role of defining who the receiver is. At last, the relationship and culture facets link the sender to the receiver. When putting together the physique, relationship and reflection, these are the facets that deliver the brand its external appearance and expression. As for personality, culture and self-image, these facets embody the spirit of the brand (Kapferer, 2012).

Since Caramulo lacks a strong positioning and identity, it is perceived as a weak brand in the market with no consistency, with an urgent need to be improved. That puts Caramulo in a similar situation as a brand at birth. Thus, even though the brand is already in the field, it can reinvent itself to develop its full potential.

Brand Architecture

Brand Portfolio Strategy

“The brand portfolio strategy specifies the structure of the brand portfolio and the scope, roles, and interrelationships of the portfolio brands.” (Aaker, 2004)

According to Aaker (2004), there are five main reasons that explain why it is crucial to comprehend a brand's portfolio - its perspectives and methods - and know how to manage it when implementing successful business strategies. As a starting point, all brands should have a well-defined role to interact with each other in a cooperative way, while offering support. Thus,

it is easier to build an efficient portfolio, which can ensure that the brands have access to all the resources needed and, therefore, adjust their strategies. One branding strategy challenge is to maintain and cultivate points of differentiation, and despite the fact that Caramulo already offers an environmentally responsible bottled water with a 50% rPet, it reinforces itself with the subbrand Caramulo Care - meaning offering a new product in a new market segment, bringing value while keeping Caramulo's core values. Lastly, to keep the brand's culture throughout its subbrands will result in a non complex offering that does not damage the customer relationship. In line with that, a brand portfolio strategy becomes particularly important when a brand extends to multiple products and segments, calling for a cohesive and well defined portfolio to face competitive pressure which involves six dimensions: the brand portfolio itself; product-defining roles; portfolio roles; brand scope reflects; portfolio structure; and portfolio graphics (Aaker, 2004).

Dimensions of the Brand Portfolio Strategy

Super Bock Group is a corporate brand that holds the company's values, heritage, culture, people and strategy, and is intrinsic in all its brands, even if it is not very clear. It takes the role of a master brand, being a reference and the first indicator of its offerings that cover a wide variety of segments and products within the drinks category. According to Kapferer (2012), there is a growing trend towards transparency that arouses consumers curiosity to know who are the actors behind the brands, explaining why so many companies have changed their names to their most famous recognised brand. Recently, this happened to Unicer, that now is known as Super Bock Group as a way of creating more visibility, acknowledgement and a powerful corporate name to remind distributors of their relationship.

Caramulo and Vitalis are product brands, since they define the product offering in accordance to the master brand and play the purchase driver role. Caramulo Care is a subbrand of Caramulo

that stretches the parent brand beyond its comfort limits while being the primary frame of reference, and it plays in the beauty/healthy market segment. Thereby, it adds an attribute dimension combined with a slightly change and a more feminine personality. Furthermore, as Caramulo and Caramulo Care have major driver roles, they are considered co-drivers.

Vitalis is considered a strategic megabrand thanks to the sales and profits that the brand generates and make to top 2 in the still bottle water category in Portugal. In the other hand, Caramulo has the tittle of a strategic future power brand with sales expected to rise. Super Bock Group portfolio structure can be concisely explained in a brand hierarchy tree (exhibit 4), where the horizontal dimension shows the scope of the brand through its subbrands, and the vertical dimension picture all the brands and subbrands necessary to enter an individual product market. Super Bock Group hierarchy tree covers beer, wine, sparkling water, still water, sider and juice.

Brand Relationship Spectrum

The brand relationship spectrum is a tool that explains the relationship between brands and it is supported by four pillars: house of brands; endorsed brands; subbrands under a master brand (the case of Caramulo Care); and a branded house (Aaker, 2004). Super Bock Group's brands belong to a house of brands because they are independent and unconnected (exhibit 5). That can be explained by the choices made when executing strategies and the brands' position on consumers' minds. Super Bock Group's brands stand-alone strategies have the intent of having as much impact on the market as possible and allows the focus on functional benefits to address segments' needs. This strategy has several benefits for Vitalis and Caramulo since it avoids brands associations that would compromise the compatibility of its offerings (taste of the beer vs. pure natural water), and it prevents channel conflict (in accordance to Aaker, 2004).

Brand Elements

“The set of brand elements can be thought of making up the brand identity. The cohesiveness of the brand identity depends on the extent to which the elements are consistent” (K. Keller, T. Apéria , M. Georgson, 2012). According to Kapferer (2012), to fully build and comprehend a brand’s identity, it is necessary to understand its first source, the product.

Brand elements allow the identification and differentiation of a brand from its competitors, and should be wisely selected to increase brand awareness and help creating positive and powerful associations with the brand (K. Keller, T. Apéria , M. Georgson, 2012). According to the authors, the main elements are the brand names, websites, logos, characters, slogans, jingles and packaging, and it is crucial to combine them to increase brand equity. In order to analyse and choose Vitalis, Caramulo and Caramulo Care’s elements, there was a need to consider six important criteria. In first place, brand elements should all be memorable to enhance both brand recall and recognition. Secondly, elements should be meaningful to reinforce associations with the nature of the product category or specific attributes, and maybe even reflect the brand’s personality. Thirdly, the likeability can evoke the elements’ verbal or visual appeal, which may not be related to the product. Furthermore, the transferability refers to the elements capability of being transferred between product categories and extend geographically. Regarding adaptability, it concerns the elements flexibility to react and transform overtime to appear significant and modern. Lastly, protectability has to deal with legal and competitive issues, in order to defend the brand’s elements. Vitalis, Caramulo and Caramulo Care’s chosen elements are:

- Brand Name: According to Kapferer (2012), the brand name is one of the most powerful elements, which usually reveals the purpose of the brand. Following this line of thought and also Keller’s guidelines (2012), Vitalis name should remain the same since it is easily remembered in consumers’ mind, and already familiar to most of them (please consult the

group report, first qualitative research, exhibit 25.3). Furthermore, the brand name is simple and easy to pronounce, is suggestive of the benefit it offers (vitality, energy, stamina), and is unique and distinct from its competitors. As for Caramulo, the brand name was maintained because it has meaning and captures the key association of the product: its provenance. In addition, its name is unique among its competitors. At last, the name Caramulo Care - a brand extension of the brand Caramulo - was chosen according to its ideal meaning (to take care of yourself), also keeping the parent brand's name for the purpose of creating brand awareness - mainly recognition - and trust.

- Website: Also commonly referred to as domain names, the Uniform Resource Locators (URLs) are responsible to locate the pages on the web. Vitalis website already has a top performance with a straightforward URLs. As for Caramulo, a website should be created to increase brand awareness and to serve the purpose of supporting and proactively manage its campaigns' communication. Therefore, the brand should invest in an appropriate domain (<http://www.caramulo.pt/>). Since Caramulo Care is an extension of Caramulo and does not exist yet, it should have a microsite embedded in the official Caramulo website to avoid paying the domain registry, while still creating awareness and informing consumers about the benefits of silica.
- Logo: Logos are critical visual elements in building brand equity and recognising brands. Vitalis' logo - Vitalis written in red with a big "V" in the background - should remain the same because it enhances brand awareness by using the brand name. Another reason not to change it is that consumers already recognise and recall the brand (exhibit 6.1). As for Caramulo, the logo is also a representation of the brand name, and therefore, it creates awareness. It is recommended for the logo to gradually change to still be recognisable and in order to obtain a more contemporary look to transform consumers' associations. Thus, Caramulo's new logo

design has some waves that reminds a mountain (water provenance) (exhibit 6.2). Along with marketing, this brand is projected to acquire a perception of an environmentally sustainable brand. Caramulo Care's logo is also a literal representation of its name, but adds a mountain on the top that reminds women's shape. It intends to create beauty and healthy associations while keeping the nature's essence. The word Care is positioned below Caramulo in accordance to the brand architecture (exhibit 6.3).

- Slogan: Vitalis' slogan is recommend to stay the same since the brand suffered only minor alterations that do not justify to change it. However, for Caramulo is proposed a new slogan "De ti para o mundo", to replace the old one "A pureza da montanha". The reasoning behind it is that it should be persuasive and coherent with the brand identity, which says that Caramulo is an environmentally sustainable brand and is associated with environmental causes. Therefore, there is a need for a efficient slogan to appear in advertising and to summarise the purpose of the campaigns. It is also proposed a slogan for Caramulo Care, "O melhor de ti", as a way of communicating a double meaning: it is the best of you physically, reflected on the appearance; or it can be seen in a sense that you give the best of you. Overall, the slogan have a major impact on the packaging and another marketing facets.
- Packaging: It plays a crucial role in building brand equity and between its objectives there is the identification of the brand, it should contain detailed information, be resistant to protect the content during distribution, easy to store and user-friendly for consumption. In a long term Vitalis and Caramulo will bet on innovation of the structural design to make the packaging more convenient to serve (3L format with a tap) and with easy storage at home, even possible to put inside the fridge (exhibit 7.1). In a short term, Caramulo's bottle needs to become more good looking to build strong associations. Within the packaging's characteristics there is the colour, representing an ideology, values, and appearance. It will have a huge impact on the

way consumers receive a message of the brand being eco-friendly (exhibit 7.2). Caramulo Care's bottle should be elegant and more sophisticated to build a compelling association with beauty, which will create brand equity in a cost-effective way (exhibit 7.3). With the new packaging, the brand aims to have a huge impact on the shelves, differentiating itself from the competitors, and expand to a new market segment within the still bottled water category (please consult the design manual for Caramulo and Caramulo Care in exhibit 8). For further details regarding Vitalis, Caramulo and Caramulo Care's elements, please consult the section 8.6 in the group report.

Brand essence and self-image can be translated into symbols that help the brands being identified. Characters are a type of symbol that typically do not have direct product meaning, and are usually introduced by advertisements, assuming either an animated or a live-action figure form. A jingle can communicate the brand's benefits in a catchy but non-direct way, and it is one of the most efficient ways of creating brand awareness because it repeats the brand name several times in an entertaining way. Either way, none of them will be used as brand elements for the brands Caramulo and Caramulo Care. Since these brands, specially Caramulo, are serious and aim to be trusted, they will make use of respectful spokespersons that will give to the brands credibility. For Caramulo, serious and reliable people that work close with environmental causes can be used to ensure the brand is perceived as sustainable and trustworthy. For Caramulo Care, beauty experts, nutritionists and pharmacists can talk in the name of the brand to communicate its benefits and make it reliable (for consumers' perceptions regarding the current brands - Vitalis and Caramulo -, please consult the group report, first qualitative research main insights, exhibit 25.3).

References

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Exhibit 1: Identity and Image

Exhibit 1.1 - Vitalis Identity and Image (model: kapferer, 2012)

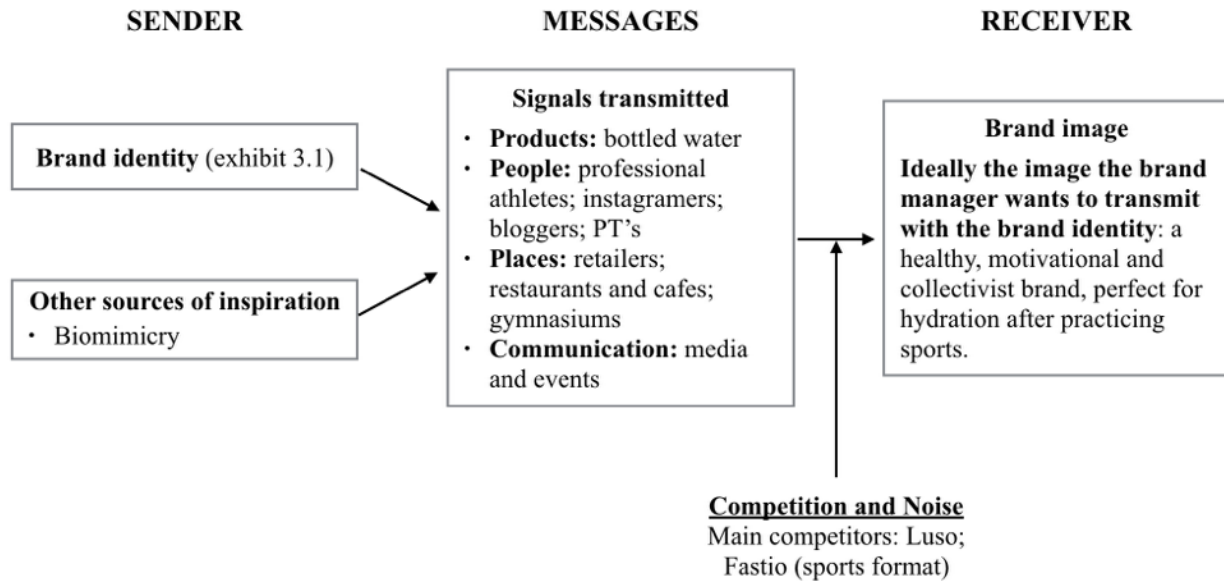


Exhibit 1.2 - Caramulo Identity and Image (model: kapferer, 2012)

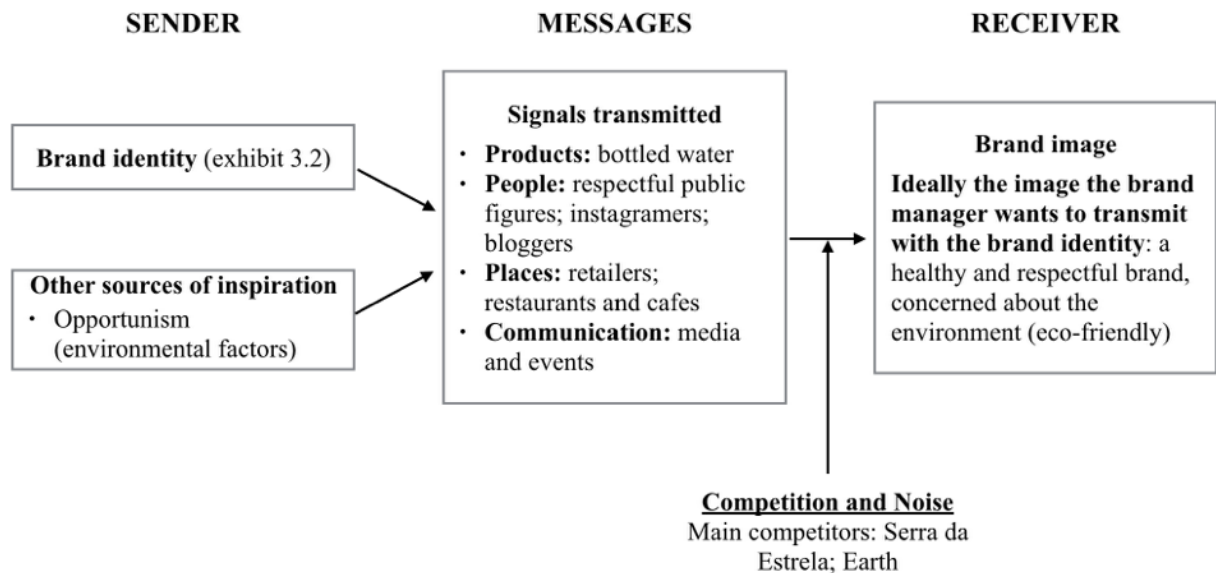


Exhibit 1.3 - Caramulo Care Identity and Image (model: kapferer, 2012)

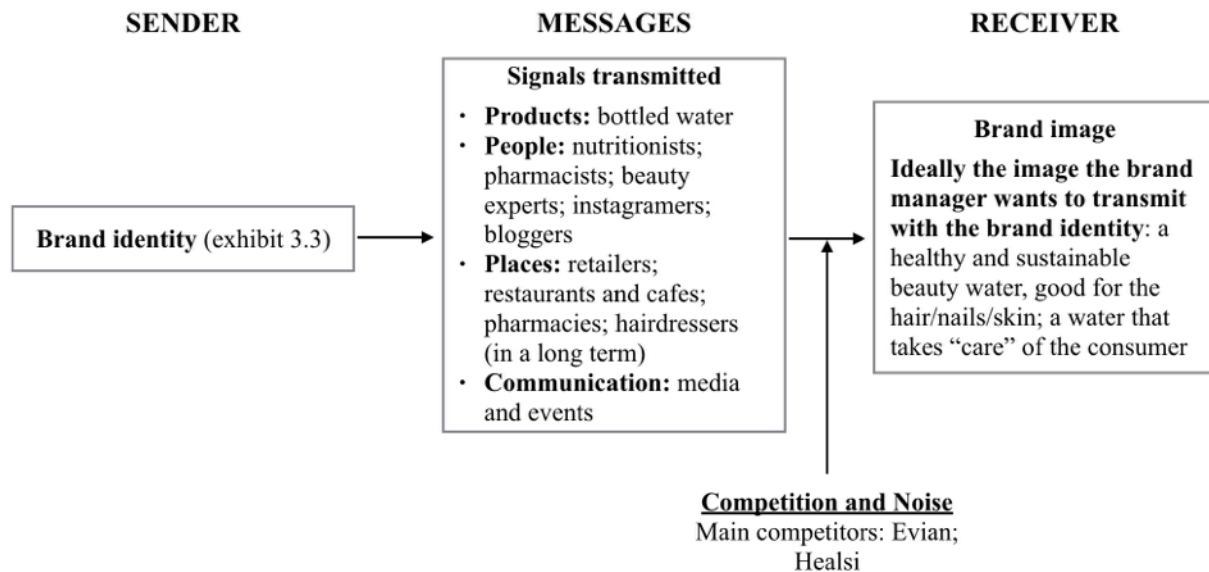


Exhibit 2: Current Brand Identity

Exhibit 2.1 - Vitalis Current Brand Identity Prism (model: kapferer, 2012)

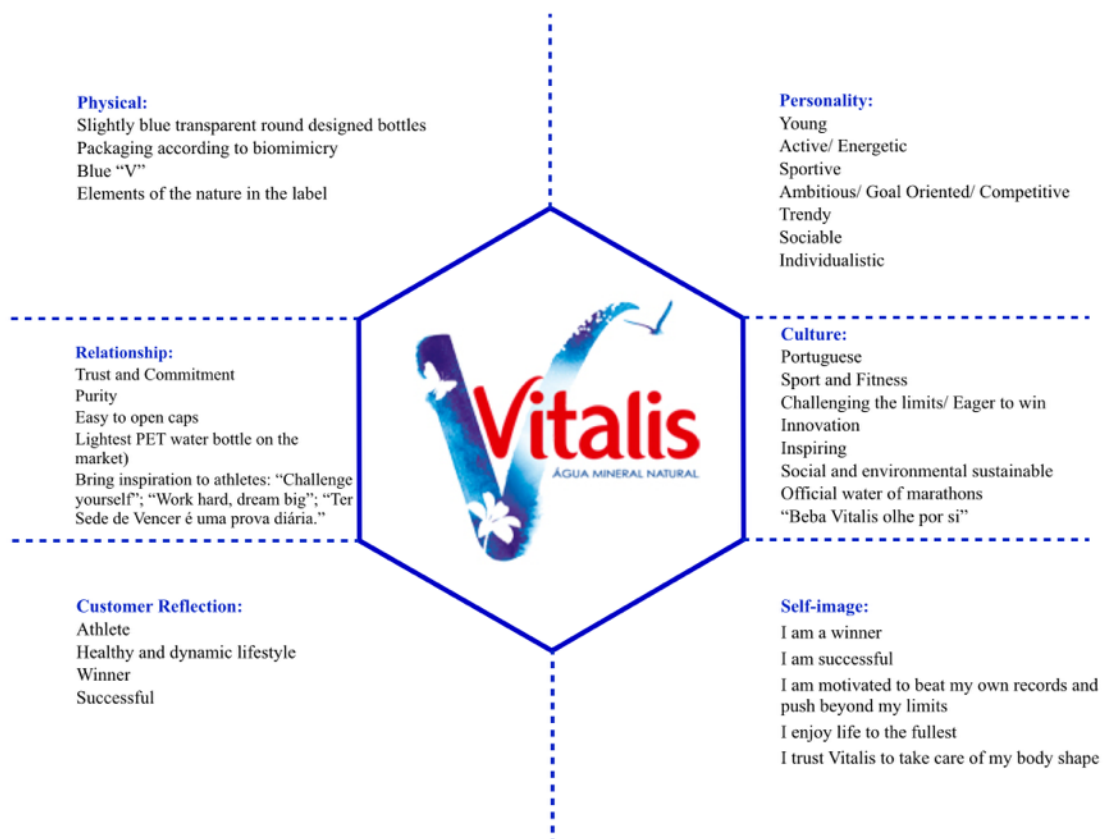


Exhibit 2.2 - Caramulo Current Brand Identity Prism (model: kapferer, 2012)

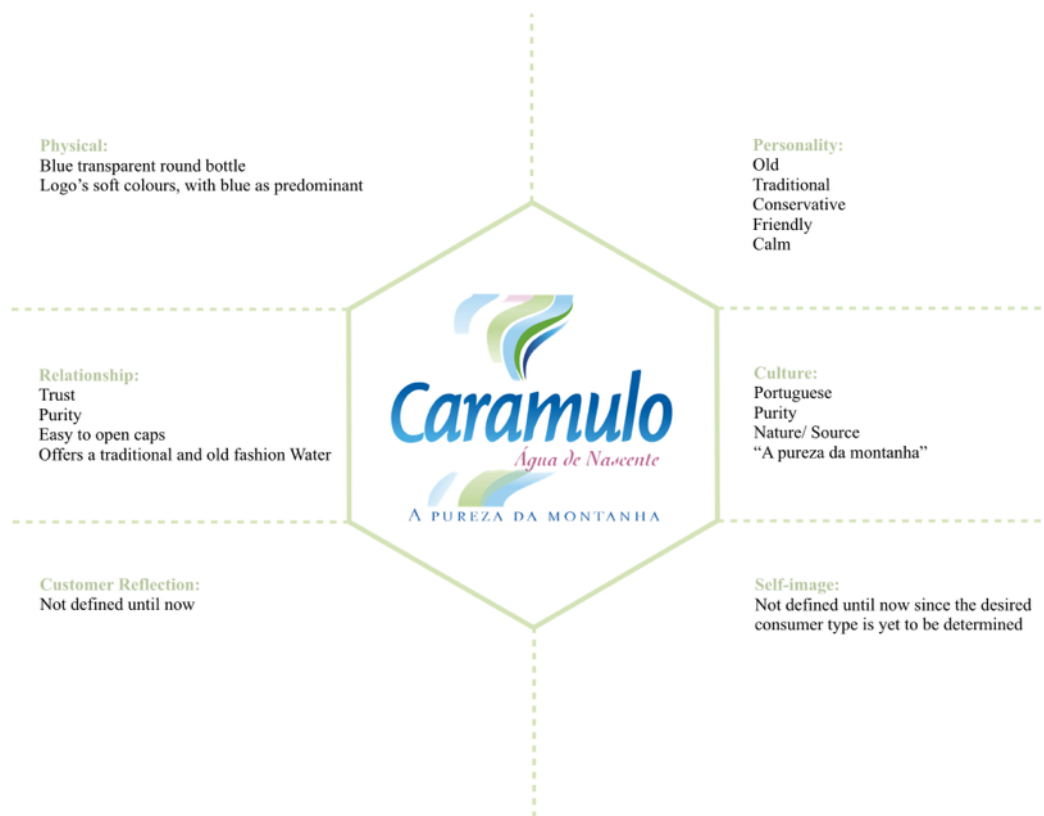


Exhibit 3: New Brand Identity

Exhibit 3.1 - Vitalis New Brand Identity Prism (model: kapferer, 2012)

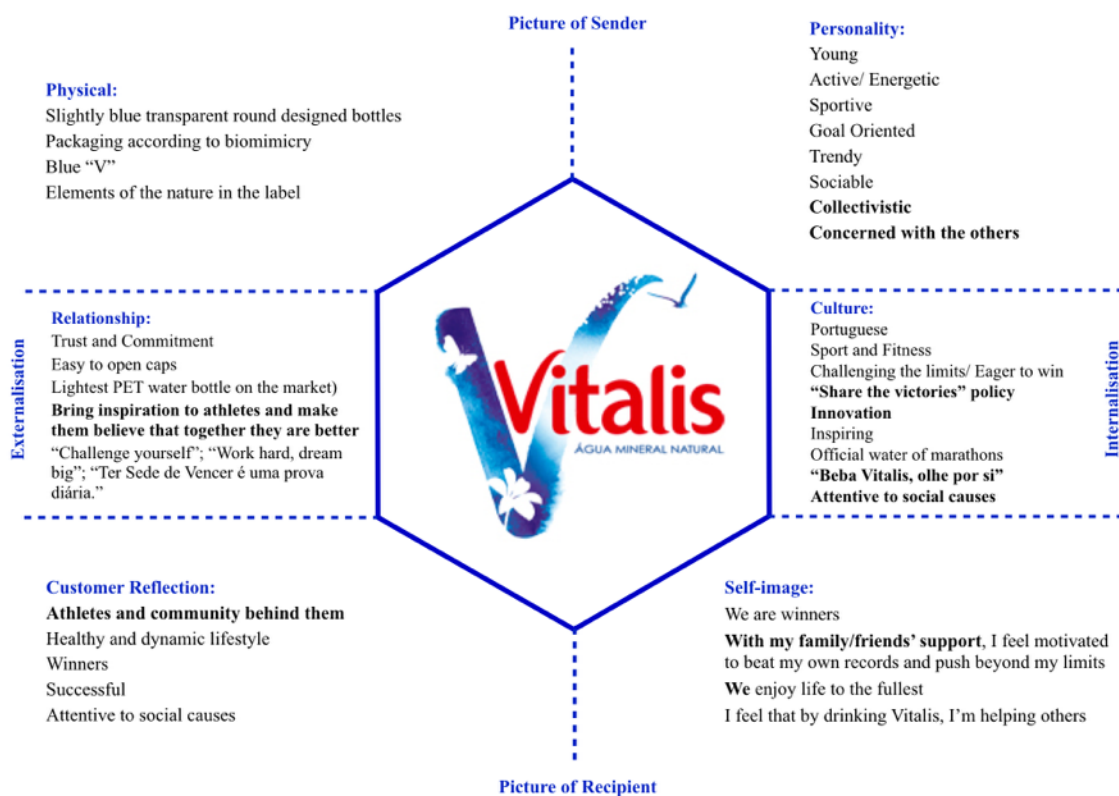


Exhibit 3.2 - Caramulo New Brand Identity Prism (model: kapferer, 2012)

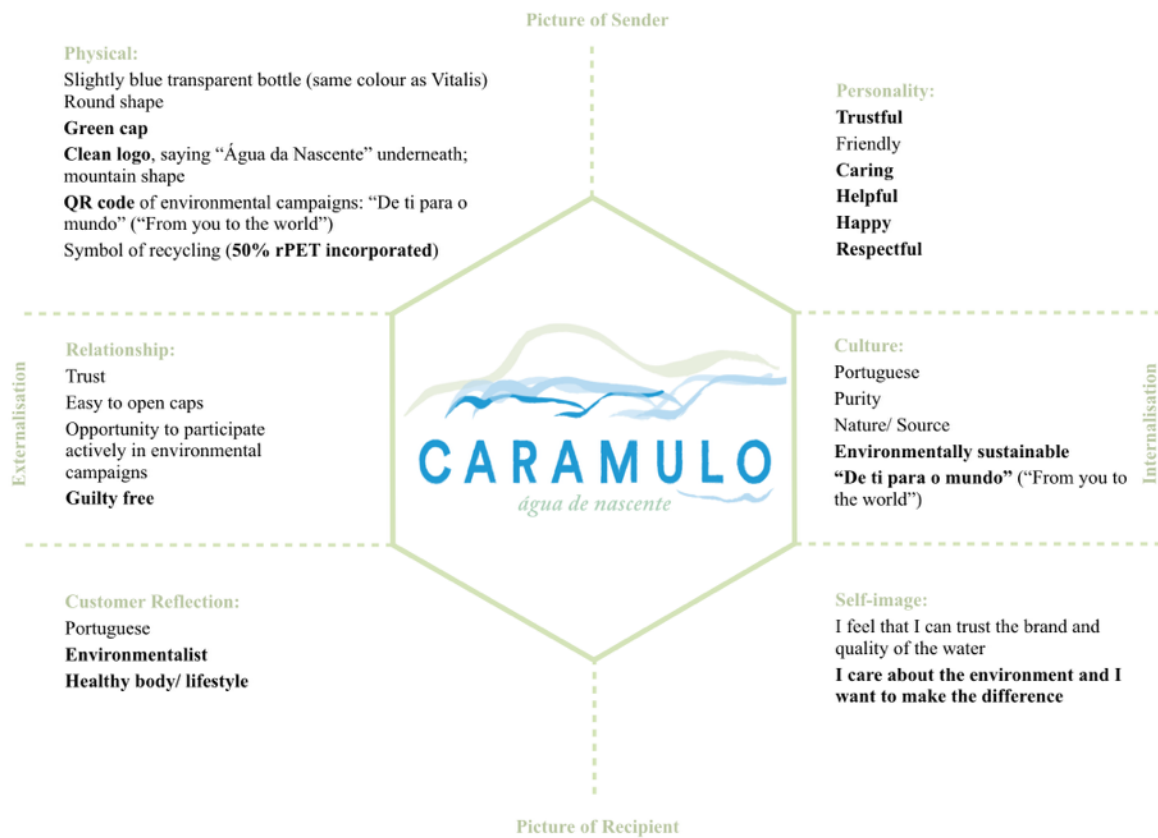


Exhibit 3.3 - Caramulo Care Brand Identity Prism (model: kapferer, 2012)

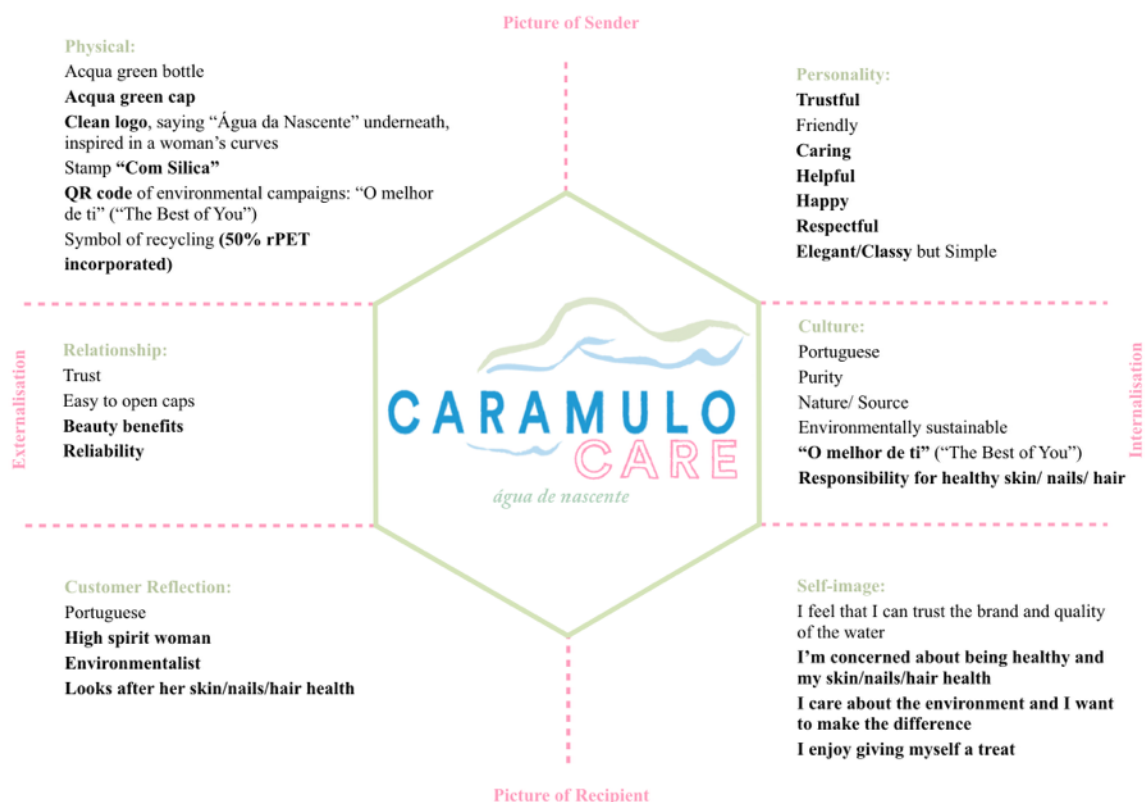


Exhibit 4: Brand Hierarchy Tree

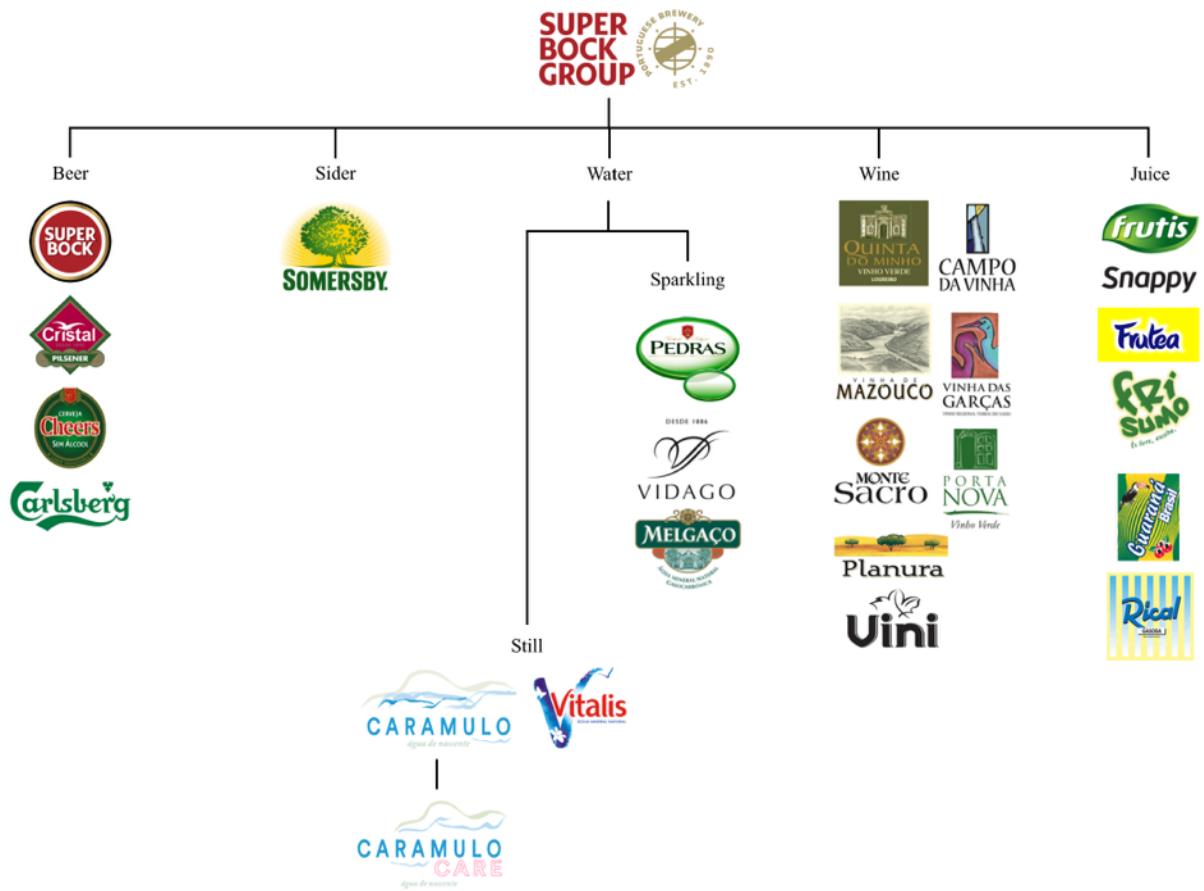


Exhibit 5: House of Brands



Exhibit 6: Logos

Exhibit 6.1 - Vitalis Logo



Exhibit 6.2 - Caramulo Logo



Exhibit 6.3 - Caramulo Care Logo



Exhibit 7: Packaging

Exhibit 7.1 - Caramulo 3L Format



Exhibit 7.2 - Caramulo's Bottle



Exhibit 7.3 - Caramulo Care's Bottle



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Exhibit 8: Design Manual

Exhibit 8.1 - Design Manual for Caramulo

DESIGN MANUAL FOR CARAMULO

BRAND WITH ENVIRONMENTAL PURPOSE

PACKAGING

BOTTLE:

- Simple
- Resistant bottle, 50% of rPET incorporated

CAP:

- Green colour, to be associated with environmental causes

LABEL

• WHAT APPEARS TWICE (for the case of 1,5L/3L/7L bottles; otherwise everything appears only once):

• **BACKGROUND:** Green Colour

• **LOGO:**


- Very present on the label
- “Caramulo” - font and colour according to the brand identity
- Mountain shape (inspiration) in the background to make justice to the highly pure and respectful brand

• **CLAIM:** “Água de Nascente” written underneath the logo


• **SLOGAN:** “De ti para o mundo”

• WHAT APPEARS ONCE:

• **QR CODE:** to link to the brand’s website and track the environmental campaign that is being supported

• **STAMP:** “Garrafa com **50%** PET reciclado” with the recycling symbol (eg. )

• **LEGAL CONTENT:**

- Bar code
- “Proteger da luz, calor e odores fortes” (*portuguese/ english/ french/ german*)
- “Consumir de preferência antes do fim de [ver inscrição na garrafa]” (*portuguese/ english/ french/ german*)
- format (eg: e1,5l / e0,5l)
- Super Bock Group symbol + “Super bock Group, S.A. - Leça do Balio, Portugal” + “www.superbock.pt”
- “Comunicação consumidor 808 222 100” (*portuguese/ english*)
- discreet recycling symbol: “Ecoponto Amarelo” 
- Chemical composition (*portuguese/ english/ french/ german*):

Bicarbonato / Bicarbonates / Bikarbonat (HCO ₃)	28,6
Cloreto / Chloride / Chlorures / Chlorid (Cl ⁻)	5,2
Nitrato / Nitrates / Nitrat (NO ₃)	1,0
Cálcio / Calcium / Kalzium (Ca ²⁺)	2,7
Sódio / Sodium / Natrium (Na ⁺)	11,3
Magnésio / Magnesium / Magnesium (Mg ²⁺)	1,7
Silica / Silica / Silice / Kieselerde (SiO ₂)	28
Mineralização total / Mineralisation totale / Total mineralization / insgesamt mineralisierung	86
pH	6,5

Boletim nº 005 / H / 2013 do LNEG

- it can also be showed as Serra da Estrela does (which may be a good idea because the silica stands out here)

Mineralização Total in mg/l	86	pH	6,5	Silica in mg/l	28
Sódio in mg/l	11,3	Cálcio in mg/l	2,7	Bicarbonato in mg/l	28,6
Cloreto in mg/l	5,2				

Exhibit 8.2 - Design Manual for Caramulo Care

DESIGN MANUAL FOR CARAMULO CARE BEAUTY BRAND WITH ENVIRONMENTAL PURPOSE

PACKAGING

BOTTLE:

- Classy/elegant but simple (keep some lines from Caramulo, the parent brand, and create others more elegant that stand out)
- Acqua Green colour
- Resistant bottle, 50% of rPET incorporated

CAP:

- Acqua Green colour, to be associated with women and beauty

LABEL

• WHAT APPEARS TWICE (for the case of 1,5L/3L/7L bottles; otherwise everything appears only once):

• BACKGROUND: Silver Colour

• LOGO:

- Very present on the label
- "Caramulo Care" - *font* and colour according to the brand identity
- The word Care should be pink, to be associated with women
- Background image inspired by Caramulo's image (parent brand), also resembling a woman curves

• CLAIM: "Água de Nascente" written underneath the logo

• SLOGAN: "O melhor de ti"


• STAMP: Put visible next to the logo saying that it contains silica ("Contém Silica")

• WHAT APPEARS ONCE:

• QR CODE: to link to the brand's website and track the campaign that is being supported and explain the benefits of Silica

• STAMP: "Garrafa com 50% PET reciclado" with the recycling symbol (eg.)

• LEGAL CONTENT:

- Bar code
- "Proteger da luz, calor e odores fortes" (*portuguese/ english/ french/ german*)
- "Consumir de preferência antes do fim de [ver inscrição na garrafa]" (*portuguese/ english/ french/ german*)
- format (eg: e1,5l / e0,5l)
- Super Bock Group symbol + "Super bock Group, S.A. - Leça do Balio, Portugal" + "www.superbock.pt"
- "Comunicação consumidor 808 222 100" (*portuguese/ english*)
- discreet recycling symbol: "Ecoponto Amarelo" 
- Chemical composition (*portuguese/ english/ french/ german*):

Bicarbonato/Bicarbonates/Bikarbonat (HCO ₃)	26,6
Clorato/Chloride/Chlorures/Chlorid (Cl)	5,2
Nitrato/Nitrates/Nitrat (NO ₃)	1,0
Calcio/Calcium/Kalzium (Ca ²⁺)	2,7
Sódio/Sodium/Natrium (Na ⁺)	11,3
Magnésio/Magnesium/Magnesium (Mg ²⁺)	1,7
Silica/Silica/Silica/Kieselerde (SiO ₂)	28
Mineralização total/Mineralisation totale	
Total mineralization/Insgesamt mineralisierung	86
pH	6,5

Boletim nº 005/H/2013 do LNEG

- it can also be showed as Serra da Estrela does (which may be a good idea because the silica stands out here)

Mineralização Total g/100ml	pH	Silica mg/l
86	6,5	28
Sódio Na ⁺ mg/l	Calcio Ca ²⁺ mg/l	Clorato Cl ⁻ mg/l
11,3	2,7	5,2